



## 2017 End of Session Report

The 2017 Session of the Tennessee General Assembly has now concluded. Legislators will reconvene January 9, 2018.

**Short term rentals** – Legislation on short term rentals was one of the most controversial bills of the 2017 session along with the IMPROVE Act which increased taxes on gasoline and diesel fuel and lowered the sales tax on food. Representatives from local government, the hospitality industry, and the short-term industry focused their attention on SB 1086 – HB 1020 which passed the House by the narrow margin of 53-35-3. Senate passage of the proposed compromise appeared inevitable until the Nashville Metropolitan Council initiated an ordinance which sought to ban short term rentals going forward. House sponsor John Stevens then asked that his bill be deferred until 2018 in the Senate Finance Committee. Here is a link to the compromise amendment adopted by the House – <http://www.capitol.tn.gov/Bills/110/Amend/HA0627.pdf>. The Metro Nashville proposed ordinance banning short term rentals violated the terms of the compromise and left the Senate sponsor with little choice but to continue discussions on this controversial issue next year.

**Political Signs** – [HB1199-SB1089](#) were introduced restricting an HOA's ability to enforce restrictions on political signs. CAI Tennessee LAC worked on an amendment that limits the impact to associations. The amendment was incorporated and the legislation passed both chambers. The LAC thanks all those that responded to our calls to action, as your voice helped in our efforts to make the legislation more palatable. Governor Haslam signed the legislation and it will go into effect July 1.

**Flying the US Flag** – As introduced, [SB 469](#) would have prohibited HOAs from restricting a property owner who is a veteran from flying the U. S. flag. The CAI Tennessee LAC worked on an amendment accepted by the sponsor to allow an HOA to adopt reasonable rules regarding the placement and manner of display. The property owner must display the flag in accordance with federal law 4 U.S.C. Sections 5-10. Governor Haslam signed the legislation and it will go into effect July 1.

**Property Taxation** – Many bills were introduced on this subject, but the CAI Tennessee LAC focused on [SB 745-HB 934](#). CAI met with the tax professionals' association over the summer and several times this year to protect associations' right to charge fees and assessments to property owners, even when that owner is the local government through a delinquent tax sale. Governor Haslam signed the legislation and it will go into effect July 1.